USDA Foreign Agricultural Service
GAIN Report
Global Agriculture Information Network

Template Version 2.07

Required Report - public distribution

Date: 9/10/2003

GAIN Report Number: NL3034

Netherlands

Fresh Deciduous Fruit

Annual

2003

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Report Highlights:
Production of apples is estimated this year at 385,000 MT, slightly higher than last year. Import of apples in 2004 is forecast to fall as a result, while exports are expected to rise. This year the production of pears will be 160,000 MT, 10 percent lower than to last year. It is expected additional pears will be imported to fill the gap.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Unscheduled Report
The Hague [NL1]
[NL]

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Executive Summary

Production of apples in the Netherlands is estimated this year at 385,000 tons, higher than last year but consistent with the long term decline in Dutch production. A high temperature late in the season and the shortage of rain is expected to have little effect on yields.

Dutch export of apples fluctuates substantially from year to year. Over 50 percent of total apple export is re-export. For domestically grown apples, Germany is the Netherlands's largest export market; last year Germany bought almost 60 percent of total exports (or 101,479 MT). Other important export markets include France and Sweden importing 7 percent each of total exports.

In 2002, almost a quarter of all imports came from France. The second largest European supplier of apples to the Netherlands is Belgium, with a 12 percent share. The Southern hemisphere countries have a market share of 58 percent.

This year the production of pears in the Netherlands is expected to be 160,000 tons, which is a 10 percent decrease compared with last year. Pear production is led by the production of the Conference variety. This year the acreage of Conference has expanded and a high yield per hectare is expected.

The UK is a very important export market for Dutch pears. During 2002, 30,000 MT pears, predominantly Conference, found their way to the UK. Russia, Sweden and Germany are also important importers of Dutch pears.

The Netherlands is also a large importer of pears, especially in 2002, with total imports estimated at 128,000 MT. As with the apple market, imports from Southern hemisphere countries are increasing at the expense of European countries. For 2002 the Southern hemisphere countries, dominated by South Africa, Argentina and Chile, account for 60 percent of total imports.

Exchange Rate			
Year	**U.S. $**	EURO	**Dutch florin (guilder)**
1999	1	0.94	2.07
2000	1	1.09	2.39
2001	1	1.12	2.46
2002	1	1.09	
2003*	1	0.92	

*Average for the first 6 month of 2003

Apples

Table 1: European Union - Production of Apples 1,000 x Metric Tons					
	1999	**2000**	**2001**	**2002**	**2003#**
Italy	2,196	2,206	2,172	2,171	2,038
France	2,230	2,260	1,938	1,966	1,918
Germany	1,036	1,131	922	763	867
Spain	837	683	806	646	655
The Netherlands	575	500	475	370	385
Others	1,541	1,426	1,215	1,223	1,084
Total EU 15	**8,415**	**8,206**	**7,528**	**7,139**	**6,947**
Poland	1,604	2,000	2,484	2,168	2,300
Hungary	443	695	605	527	488
Others	476	503	462	460	565
CC 10	**2,533**	**3,198**	**3,551**	**3,155**	**3,353**
Total EU 25	**10,937**	**11,404**	**11,079**	**10,294**	**10,300**

Source: Eurofel # Forecast

For the fourth year in a row, the apple harvest within the EU is expected to decrease, mainly due to late frost and unfavorable wet weather during the flowering stage. This season 6.9 million MT of apples will be produced across the EU, 3 percent less than 2002. Although production grew slightly in Germany it will be lower this year in leading producers Italy and France.

PSD Table

Country Netherlands

Commodity Fresh Apples (HA)(1000 TREES)(MT)

	2001 USDA Official [Old]	Revised Post Estimate [New]	2002 USDA Official [Old]	Estimate Post Estimate [New]	2003 USDA Official [Old]	Forecast Post Estimate [New]
Market Year Begin		**07/2001**		**07/2002**		**07/2003**
Area Planted	11,718	12,839	10,500	11,177	-	10,852
Area Harvested	10,195	11,170	9,135	9,724	-	9,441
Bearing Trees	19,984	21,862	17,888	19,102	-	18,547
Non-Bearing Trees	4,741	5,228	4,277	4,481	-	4,351
Total Trees	24,725	27,090	22,165	23,583	-	22,898
Commercial Production	430,000	450,000	333,000	339,660	-	353,500
Non-Comm. Production	45,000	50,000	32,000	30,340	-	31,500
TOTAL Production	475,000	500,000	365,000	370,000	-	385,000
TOTAL Imports	323,818	300,528	325,000	296,000	-	290,000
TOTAL SUPPLY	798,818	800,528	690,000	666,000	-	675,000
Domestic Fresh Consump	362,818	325,528	288,000	314,000	-	310,000
Exports, Fresh Only	320,000	360,000	297,000	265,000	-	270,000
For Processing	96,000	85,000	89,000	77,000	-	85,000
Withdrawal From Market	20,000	30,000	16,000	10,000	-	10,000
TOTAL UTILIZATION	798,818	800,528	690,000	666,000	-	675,000

Within the 10 new EU countries, apple production is dominated by Poland, which produces more apples than any current EU member. The majority of Polish apples go into the processing industry and the main export market is Russia. After accession in May 2004, no major impacts are expected on the Dutch trade.

Table 2: The Netherlands - Apple Production Figures by Variety
1,000 x Metric Tons

	1999	2000	2001	2002	2003*
Jonagold	195	180	150	136	140
Elstar	190	170	185	144	140
Boskoop	55	40	40	17	30
Golden Delicious	45	40	40	25	30
Cox Orange	450	30	30	20	20
Other Variety	45	40	30	28	25
Total	575	500	475	370	385

Source: Eurofel # Forecast

Production of apples in the Netherlands is estimated this year at 385,000 tons, slightly higher than last year but not back to the level of preceding years. The high temperature late in the season and the shortage of rain is expected to have little effect on yields since nearly all growers have sprinkler systems.

The main factor behind falling production figures in recent years is that farmers are leaving the industry. As a result, apple acreage has gone down, while yield per hectare has been relatively stable.

It is not expected that prices for Dutch apples will rise, due to increasing competition from other regions and increasingly Southern Hemisphere countries.

Table 3: The Netherlands - Auction Prices for Apples
Euro cents per Kilo

	99/00	00/01	01/02	02/03
Average Price	21	28	35	42
Golden Delicious	56	30	35	36
Boskoop	67	30	34	53
Jonagold	26	31	37	40
Cox's Orange	25	39	35	48
Elstar	32	39	50	57
Gloster	22	21	28	32
Gala	-	-	-	69
Breaburn	-	-	-	77
Granny Smith	-	-	-	103
Fuji	-	-	-	106
Processing Apples	10	8	11	11

Source: Product Board Horticulture

Table 4: The Netherlands – Acreage of Apple Variety
Per Hectares

	1998/99	1999/00	2000/01	2001/02	2002/03
Elstar	5,169	4,848	4,572	4,374	4,426
Jonagold	4,305	3,720	3,373	3,545	3,361
Cox's Orange Pippin	1,205	1,066	890	666	569
Golden Delicious	1,010	914	800	763	720
Rode van Boskoop	1,183	1,028	906	809	742
Delbarestivale (Delcorf)	235	236	238	318	325
Gala	113	96	90	92	82
Other Varieties	974	933	849	611	627
Total	14,191	12,838	11,718	11,177	10,852

Source: CBS

Low prices and increasing costs have led many Dutch farmers to leave the industry. Prices received by growers have increased the past three years but costs of production have increased even more.

During the past 4 years acreage decreased by almost a quarter to 10,852 hectares. In general all varieties are facing a decline, except for Delbarestivale (Delcorf), which only accounts for 3 percent market share. Other varieties, like Elstar and Gala, that showed strong growth figures during the late 90s, are now facing decline.

Table 5: The Average Spending on Apples
per Household

	KG	EURO
1999	27.3	25.19
2002	24.9	30.92

Source: Productboard Horticulture, 2003

Although the size of average households has declined somewhat, the Dutch are eating fewer apples. At the same time spending on apples has increased due to higher retail prices. Consumers are also slowly shifting from the traditional apple varieties to new ones like braeburn, gala and fuji.

Table 6: Percentage of the Dutch Households which Purchase Apples

	1999	2002
Total	91	92
Elstar	69	68
Jonagold/Jonagored	64	59
Granny Smith	36	35
Golden Delicious	37	34
Goudreinette	40	34
Braeburn	12	26
Gala	13	25
Fuji	8	12

Source: GFK/Product Board Horticulture

Larger supermarkets are becoming increasingly more important as a distributor of fresh deciduous fruit. Research has shown that the presentation and promotion of fruit are important tools for promoting consumption. Many retailers stress the benefits of eating apples regularly and promote the healthy and safe image of apples.

Dutch export of apples fluctuates substantially from year to year. Over 50 percent of total apple export is re-export. For domestically grown apples, Germany is the Netherlands's largest export market; last year Germany bought almost 60 percent of total exports (or 101,479 MT). Other important export markets include France and Sweden each importing 7 percent of total exports.

The export market can be split by export for a) industrial use and b) the fresh market. Fresh apples account for the majority of exports, 74 percent in 2002. The Jonagold and Elstar varieties have stable export figures for the past few years. Other varieties that are exported, albeit to a lesser extent, are Cox, Golden Delicious and Jonagored, with the latter gaining market share in export markets at the expense of Cox. The export of apples for industrial use is especially heavy during the period August to December. Germany is also the biggest buyer of industrial apples.

Trade Matrices

Import Trade Matrix			
Country	Netherlands		
Commodity	Fresh Apples		
Time period	CY	Units:	Metric Tons
Imports for:	**2001**		**2002**
U.S.	939	U.S.	1,054
Others		Others	
E.U.	122,181	E.U.	118,370
- France	64,171	- France	66,978
- Belgium	37,890	- Belgium	35,144
- Germany	10,745	- Germany	9,137
- Other E.U.	9,375	- Other E.U.	7,111
Chile	63,598	Chile	70,393
South Africa	35,484	South Africa	22,943
Argentina	30,073	Argentina	23,862
Brazil	17,255	Brazil	22,808
New Zealand	20,273	New Zealand	24,656
Total for Others	288,864		283,032
Others not Listed	7,260		11,670
Grand Total	297,063		295,756

Export Trade Matrix			
Country	Netherlands		
Commodity	Fresh Apples		
Time period	CY	Units:	Metric Tons
Exports for:	**2001**		**2002**
U.S.	0		
Others		Others	
E.U.	124,914	E.U.	157,178
- Germany	66,104	- Germany	101,479
- France	12,765	- France	13,772
- Sweden	11,779	- Sweden	12,025
- Belgium/Luxembourg	10,988	- Belgium/Luxembourg	11,028
- U.K.	7,021	- U.K.	4,167
- Other E.U.	16,257	- Other E.U.	14,707
Russia	12,575	Russia	8,308
Poland	5,856	Poland	599
Czech Rep.	4,881	Czech Rep.	5,168
Total for Others	148,226		171,253
Others not Listed	7,764		5,752
Grand Total	155,990		177,005

Last year apple import by the Netherlands were almost twice the amount of exports (Dutch apples). It is important to note that not all of these apples are consumed by the Dutch; a substantial share of imports are re-exported via the port of Rotterdam to European countries such as Germany and Belgium.

Historically, there is a steady flow of French apples to the Netherlands. In 2002, almost a quarter of all imports came from France. The second largest European supplier of apples to the Netherlands is Belgium, with a 12 percent share.

During the past decade, apples from Southern hemisphere countries have become quite popular in the Netherlands due to their varieties, presentation and counter seasonal availability. Countries like Chile, New Zealand, Argentina, South Africa and Brazil are increasingly gaining market share at the expense of the European countries. For 2002, Southern hemisphere origins account for 58 percent of total imports.

Less than one percent of total imports come from the US. The main reason for this low figure is the lack of competitiveness of the US apple on the Dutch market (cost price + freight cost).

Pears

Table 7: European Union - Production of Pears 1,000 x Metric Tons					
	1999	2000	2001	2002	2003*
Italy	784	876	793	948	894
Spain	682	597	660	603	596
France	288	259	254	237	189
The Netherlands	135	195	70	179	160
Belgium	165	180	89	173	142
Others	271	302	275	268	209
Total EU 15	**2,325**	**2,409**	**2,141**	**2,408**	**2,190**
Poland	67	82	77	90	80
Others	16	16	5	6	12
CC-10	83	98	82	96	92
Total EU 25	**2,408**	**2,507**	**2,223**	**2,504**	**2,283**

Source: Eurofel * Forecast

The EU pear harvest is expected to be lower this year, mainly due to late frost and an unfavorable, wet, flowering stage. Almost 2.2 million ton pears will be produced, 9 percent less than 2002.

PSD Table

Country Netherlands

Commodity Fresh Pears

					(HA)(1000 TREES)(MT)	
	2001	Revised	2002	Estimate	2003	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		**07/2001**		**07/2002**		**07/2003**
Area Planted	6,097	6,019	6,100	6,329	-	6,400
Area Harvested	5,487	5,400	5,490	5,696	-	5,760
Bearing Trees	7,113	7,100	7,117	7,384	-	7,467
Non-Bearing Trees	1,423	1,400	1,423	1,477	-	1,493
Total Trees	8,536	8,500	8,540	8,861	-	8,960
Commercial Production	63,000	175,000	139,500	161,100	-	144,000
Non-Comm. Production	7,000	20,000	15,500	17,900	-	16,000
TOTAL Production	70,000	195,000	155,000	179,000	-	160,000
TOTAL Imports	132,899	130,642	134,000	128,000	-	135,000
TOTAL SUPPLY	202,899	325,642	289,000	307,000	-	295,000
Domestic Fresh Consump	108,899	130,142	114,500	113,500	-	110,000
Exports, Fresh Only	90,000	190,000	170,000	190,000	-	182,000
For Processing	4,000	5,500	4,500	3,500	-	3,000
Withdrawal From Market	-	-	-	-	-	-
TOTAL UTILIZATION	202,899	325,642	289,000	307,000	-	295,000

Within the 10 new EU countries, pear production is dominated by Poland. Although compared to current EU countries, Poland's production is low and it is not an important exporter.

Table 8: The Netherlands – Pear Production Figures by Variety 1,000 x Metric Tons					
	1999	2000	2001	2002	2003*
Conference	95	130	55	110	130
Doyenne Comice	20	35	10	34	15
Other Varieties	20	30	5	35	15
Total	**135**	**195**	**70**	**179**	**160**

Source: Eurofel * Forecast

This year the production of pears in the Netherlands is expected to be 160,000 tons, which is a 10 percent decrease compared with last year. Pear production is led by the production of the Conference variety. This year the acreage of Conference has expanded and a high yield per hectare is expected.

Table 9: The Netherlands – Acreage of Pear Variety Hectares					
	1998/99	**1999/00**	**2000/01**	**2001/02**	**2002/03**
Conference	3,590	3,658	3,793	4,035	4,319
Doyenne du Comice	1,213	1,180	1,160	1,119	1,090
Beurre Hardy	193	184	167	106	95*
Triomphe de Vienne	211	200	199	213	195*
Poaching Pears	521	502	472	488	450*
Other Varieties	288	288	292	367	370*
Total	**6,020**	**6,019**	**6,097**	**6,329**	**6,519***

Source: CBS *forecast

Over the past decade, the total acreage of pears has gone up each year. During past 4 years the acreage increased by a total of 5 percent to an estimated 6,341 hectares past season. New plantings are almost exclusively of the Conference variety. The planted acreage for this pear, with 70 percent market share, has gone up by 20 percent during past 4 years

Table 10: The Netherlands – Average Auction Prices for Pears Euro cents per Kilo				
	1999/00	2000/01	2001/02	2002/03
Legipont	43	25	52	33
B.A. Lucas	54	39	67	47
Beurre Hardy	35	25	71	34
Conference	62	53	98	65
Doyenne	57	31	99	44
Triomphe	35	25	71	33
Poaching Pears	77	28	166	28
Total Average	**59**	**43**	**95**	**53**

Source: Product Board Horticulture

Prices received by pear growers were very high in 1998 and 1999. During 2000 and most of 2001 producers received a much lower price, with prices for the Legipont and Doyenne varieties dropping by over 40 percent. Late 2001 and in 2002, prices have been high due to low availability.

Low production of in 2001 resulted in low export figures in 2002 and subsequently higher imports during the same period.

The UK is a very important export market for Dutch pears. During 2002, 30,000 MT pears, predominantly Conference, found their way to the UK. Russia, Sweden and Germany are also important importers of Dutch pears.

The Netherlands is also a large importer of pears, especially in 2001/2002, with total imports estimated at 128,000 MT. Imports are often exported immediately to other European countries: for instance, all Chilean pears destined for the EU market are traded via the Netherlands.

As with the apple market, imports from Southern hemisphere countries are increasing at the expense of European countries. For 2002 the Southern hemisphere countries, dominated by South Africa, Argentina and Chile, account for 60 percent of total imports. Five years ago this figure was only 40 percent.

Imports from the US are also increasing. In 2002, the Netherlands imported 4,333 MT US pears, 20 percent more than the preceding year mainly due to that year's low price of US pears.

Trade Matrices

Import Trade Matrix			
Country	Netherlands		
Commodity	Fresh Pears		
Time period	CY	Units:	Metric Tons
Imports for:	**2001**		**2002**
U.S.	3,547	U.S.	4,333
Others		Others	
E.U.	35,790	E.U.	38,922
- Belgium	11,651	- Belgium	24,023
- France	9,333	- France	4,021
- Spain	4,755	- Spain	3,041
- Germany	5,156	- Germany	2,938
-Other E.U.	4,895	-Other E.U.	4,899
Argentina	28,878	Argentina	25,553
South Africa	25,244	South Africa	26,338
Chile	24,061	Chile	23,726
Total for Others	113,973		114,539
Others not Listed	4,762		8,756
Grand Total	122,282		127,628

Export Trade Matrix			
Country	Netherlands		
Commodity	Fresh Pears		
Time period	CY	Units:	Metric Tons
Exports for:	**2001**		**2002**
U.S.	0	U.S.	0
Others		Others	
E.U.	81,402	E.U.	64,768
- U.K.	38,927	- U.K.	30,000
- Sweden	9,797	- Sweden	8,992
- France	8,564	- France	5,656
- Denmark	6,479	- Denmark	6,265
- Germany	5,448	- Germany	6,739
- Other E.U.	12,187	- Other E.U.	8,639
Russia	16,788	Russia	13,984
Norway	4,337	Norway	2,466
Total for Others	102,527		81,218
Others not Listed	5,060		2,497
Grand Total	107,587		83,715